



NORESCO, Government Services

Qualification Sheet

DOE SUPER ESPC

Introduction to NORESKO, Government Services

On April 15, 2001, ERI Services, Inc., and Northeast Energy Services, Inc., wholly owned subsidiaries of Equitable Resources, Inc., merged to form a single Energy Services Company (ESCO), NORESKO, LLC (NORESCO). The new company represents a consolidation of two of the most highly regarded ESCOs in the country. This merger strengthens the position and capabilities that the two groups maintained individually in the government, commercial, industrial, and institutional energy services marketplace and represents the latest step in Equitable Resources' plan to make NORESKO the premier energy services provider in the nation. NORESKO, Government Services is the government execution arm of NORESKO, specializes in the turnkey development and implementation of Energy Savings Performance Contract (ESPC) projects for Federal and State Government clients. ESPC is a contracting vehicle that leverages contractor investment and, therefore, requires no capital investment on the part of the Government. Instead, the contractor incurs all costs and risks of development and implementation of energy efficiency and facility infrastructure upgrade projects in exchange for a share of the verified energy, resource, and operational savings produced.

NORESCO Government Services approach to ESPC projects is to provide comprehensive, customized solutions to match the individual needs of our customers. We apply rigorous value engineering in development of projects that maximize energy savings while improving the facility's energy system infrastructure and operational reliability. We view the ESPC process as a partnership and, therefore, focus on strong communications with our clients to achieve consistency with their goals and objectives and assure complete customer satisfaction. Ours is a whole-facility approach that focuses on achieving energy efficiency improvements and environmental compliance on a least-cost, life-cycle basis. To accomplish this, we go beyond simple replacement of equipment with higher efficiency models. Instead, we consider facility-wide long-term planning and mission objectives. We seek to develop superior designs and processes, we pursue procurement of lower cost energy resources in the evolving deregulated energy market, and we develop energy conservation measures that are compatible with, and will enhance current systems and operational practices at, the facility.

To maximize process efficiency, accountability, coordination, and overall economic performance, NORESKO Government Services has developed an integrated, vertical services approach under which all of the major project phases, including analysis, engineering, design, measurement and verification (M&V), construction management, and operations and maintenance (O&M) functions, are managed and executed by our experienced in-house staff. With this vertical approach, NORESKO Government Services has emerged as a leading low-cost provider to the Government ESPC market. As a result, NORESKO Government Services has been awarded in excess of \$2.2 billion in Government ESPC Indefinite Delivery Indefinite Quantity (IDIQ) contracts and stands as the only firm in the country to be selected for all of the DoD and DoE SUPER ESPC regional contract awards issued to date. Below we offer a brief description of our vertically integrated, customized ESPC approach, followed by summary descriptions of some of our more recent Government ESPC projects.

NORESCO-Government Services ESPC Approach

The ESPC process is one that must be performed in the spirit of partnership by an experienced team that is well-coordinated, results-driven, and focused on communication and customer satisfaction. The unique NORESKO Government Services approach for developing customized ESPC projects involves a multi-disciplinary team effort designed to process a large quantity and variety of information while achieving continuity between disciplines and across project phases.

The NORESKO Government Services team consists of technical experts from analysis, engineering, design, construction, O&M, and M&V disciplines. These technical disciplines are supplemented by financial, contractual, energy source procurement, and risk management professionals. This cross-functional in-house team approach maximizes project benefits under the ESPC Delivery Order (DO) process, as the nature of an ESPC DO involves all of these disciplines and requires their specialization.

The NORESKO Government Services team members institute a highly rigorous site investigation and detailed analysis to minimize the "guess work" and, therefore, risk to both parties. All savings analyses, engineering, design, pricing and construction activities pass through an internal quality control process performed by our most senior and expert personnel. As a result, we have the ability to clearly identify and make aware to all parties the various areas of risk, their responsibility, and the methods and procedures required to mitigate those risks to ensure a successful ESPC project.

NORESCO Government Services ESPC Experience

Through our superior technical offering and low cost structure, NORESKO Government Services has achieved some of the highest technical merit rankings in each of the major regional ESPC IDIQ solicitations. As a result, NORESKO Government Services has been selected as the energy partner for ESPC projects by such agencies as the U.S. Army, U.S. Navy, U.S. Air Force, U.S. Coast Guard, Architect of the Capitol, U.S. Army Medical Command, General Services Administration, Veterans Administration, Environmental Protection Agency, and the Department of Labor. We work closely with these agencies to improve and streamline the ESPC process and assist them in reaching the federally mandated energy reduction goals of 30% by 2005 and 35% by 2010.

The following table summarizes and provides reference information for several representative ESPC projects completed by NORESKO Government Services. These projects have been selected to illustrate the full range of our ESPC project experience with regard to both the diversity of technologies and the magnitude of the undertakings. They also provide insight into the unique combination of capabilities that NORESKO Government Services can provide as a vertically integrated full-service energy firm with extensive technical skills and financial strength and a proven record of success in developing and implementing ESPC projects.

Facility Name and Location	Capital Investment	Annual Savings	Technologies Installed	Point of Contact
U.S. Capitol Complex of Buildings Washington, DC	\$8,200,000	\$1,500,000	Lighting, Occupancy Sensors	Satish Sethi (202) 226-6615
Walter Reed Army Medical Center Washington, DC	\$7,663,906	\$1,099,756	Lighting, Central Chiller Plant, Steam Traps, Motors, Meters	Ronald Scott (703) 767-8548
National Gallery of Art Washington, DC	\$2,683,969	\$331,272	Lighting, VFDs, HVAC	Dennis Donaldson (202) 842-6619
Bolling Air Force Base Washington, DC	\$4,199,813	\$614,258	Lighting, Thermal Storage, Solar Film, Water, Hot Water Shutdown	Larry Peak (202) 767-4282
Dover Air Force Base Dover AFB, DE	\$1,340,579	\$157,955	Lighting, Chillers, VAV, EMS, New Natural Gas Line	Michael Adkins (302) 677-6444
Marine Corps Support Activity Kansas City, MO	\$1,190,661	\$177,372	ECMS, Lighting, Plumbing, Variable Speed Drives, Condensing Units	John Hurd (816) 843-3740
Fort Gordon Augusta, GA	\$5,957,000	\$1,690,000	Lighting, Generation, EMS/SCADA, Piping Upgrades	Glenn Stubblefield (706) 791-6184
Maxwell Air Force Base Maxwell, AL	\$12,637,016	\$1,429,008	Lighting, Central Plant Decentralization, EMS/SCADA	Wilfred Cassidy (334) 953-6945
Redstone Arsenal Huntsville, AL	\$6,709,300	\$953,128	Lighting, Central Chiller Plant, EMS	Doug Smith (256) 955-7798
General Services Administration Atlanta, GA	\$7,279,005	\$499,091	Lighting, Chiller Plant, VFDs, HVAC	Stan Hall (404) 562-0746
Naval Air Station Key West, FL	\$2,492,669	\$407,275	Lighting, Motors, Central Chiller Plant, Meters, Heat Pipes	David Crouch (805) 982-2740
Naval Station Roosevelt Roads, PR	\$7,447,677	\$923,236	Lighting, Central Chiller Plant, Water-Cooled Chillers, Heat Pumps	David Crouch (805) 982-2740
Robins Air Force Base Warner Robins, GA	\$7,334,006	\$7,334,006	Lighting, PAMPER, Infrared Heating, Water Conservation	Charlotte Halstead (912) 926-3695
U.S. Coast Guard Integrated Support Command Kodiak Island, AK	\$4,670,000	\$894,000	Lighting, Boiler Optimization, EMS, Doors, Fuel Tank Conversion	Mike Brown (907) 487-5320
U.S. Coast Guard Academy New London, CT	\$1,628,553	\$256,695	Lighting, Steam Traps, Chillers, Motors & Pumps	Lt. Andy Went (860) 444-8226
Navy Region Southwest San Diego, CA	\$22,220,945	\$2,219,923	Lighting, EMS, HVAC, 750 kW Solar Parking Structure, Microturbines, Compressed Air	John Thomas (619) 556-7989
Crane Naval Surface Warfare Center Crane, IN	\$4,068,007	\$672,747	Lighting, Boilers, EMS/SCADA, Steam Distribution Upgrades	David Crouch (805) 982-2740
General Services Administration Austin, TX	\$3,971,932	\$437,670	Lighting, Water, EMS, Central Chiller Plant	Casey Bowen (817) 897-2751
U.S. Military Academy West Point, NY	\$28,500,000	\$900,000	Lighting, Motors, VAV, Chillers, Boilers, Peak Shaving	Paul LeBlond (914) 938-2818
U.S. Environmental Protection Agency NVFEL Ann Arbor, MI	\$10,000,000	\$800,000	Boilers, Chillers, EMS, Water, Fuel Cell	Steve Dorer (734) 214-4503
Cape Canaveral Air Force Station Cape Canaveral, FL	\$8,876,132	\$1,358,415	Lighting, EMCS, Motors, Chillers, Window Film, Transformers, Natural Gas Line, Boilers	Bryan Buckley (321) 853-0925
VA Medical Center West Haven, CT	\$2,426,500	\$568,400	Lighting, Central Chiller Plant	Bob Palazzi (203) 937-3812

To learn more about NORESKO and our capabilities please visit our website at www.noresko.com
